

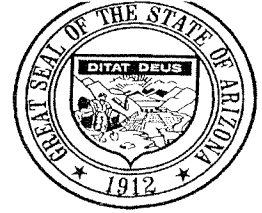
ARIZONA DEPARTMENT OF WATER RESOURCES

Hydrology Division

500 N. Third Street • Phoenix, Arizona 85004-3921

Telephone (602) 417-2448 • Fax (602) 417-2425

September 16, 2003



JANET NAPOLITANO
Governor

HERB GUENTHER
Director

Mr. Roy Tanney
Department of Real Estate
2910 North 44th Street
Phoenix, Arizona 85018

**RE: Foothills South, Phase 3, Yavapai County
Water Adequacy Report #22-401029**

Dear Mr. Tanney:

Pursuant to A.R.S. § 45-108, the Department of Water Resources has reviewed the available information pertaining to the water supply for the above-referenced subdivision located in Section 15, T17N, R5E, G&S R B&M, in Yavapai County, Arizona. This letter constitutes the Department's report on the subdivision's water supply as required by A.R.S. § 45-108(A).

Adequacy of the water supply has been reviewed by the Department with regard to quality, quantity and dependability. The subdivision is located in the Town of Sedona, Arizona. The water supply will come from a large aquifer system underlying the Sedona area. Information available to the Department indicates that the applicant has satisfied the adequate water supply requirements as set forth in A.A.C. R12-15-715 *et seq.* Therefore, the Department of Water Resources finds the water supply to be adequate to meet the subdivision's projected needs. Any change to the subdivision or its water supply plans may invalidate this decision.

This letter is being forwarded to your office as required by A.R.S. § 45-108. This law requires the developer to hold the recordation of the subdivision's plat until receipt of the Department's report on the subdivision's water supply. By copy of this report, the Yavapai County Recorder is being officially notified of the developer's compliance with the law. Because of the possibility that a future court proceeding could result in a legal determination that water withdrawn from wells in this area is surface water, the Department recommends that your office include the following statement in all promotional material and contracts for sale of lots in the subdivision:

Pursuant to A.R.S. § 45-108 and A.A.C. R12-15-715 *et seq.*, the Department has determined that the water supply for the Foothills South, Phase 3 subdivision is adequate, *i.e.* that the water supply is physically, continuously and legally available to satisfy the applicant's 100-year projected water demand, and that the water supply is of suitable water quality. However, the legal availability of the water withdrawn from wells in this area may be the subject of court action in the future as part of a determination of surface water rights. Whether future court action will have an effect on the legal availability of the water supply for the proposed subdivision cannot be determined at this time.

If you have any questions regarding this report, please call Brett Shaner at 602-417-2448.

Sincerely,

Frank Putman
Acting Assistant Director

FP/BDS/cf
202412-revised

cc: Mr. Harry Christie, F.S. Capital
Arizona Water Company
Shepard-Wesnitzer, Inc.
Ms. Patsy Jenney-Colón, Yavapai County Recorder
Mr. Kenneth Spedding, Yavapai County Planning/Zoning
Mr. Doug Dunham, ADWR